SENATE BILL No. 624

DIGEST OF INTRODUCED BILL

Citations Affected: IC 9-27-6; IC 27-1-3-10.

Synopsis: Motor vehicle theft prevention. Establishes the motor vehicle theft prevention fund. Requires that an assessment of $1 be made when a motor vehicle is insured. Establishes a special fund called the motor vehicle theft prevention fund into which the assessment is deposited. Requires the treasurer of state to distribute the fund to the county sheriffs for deposit into the motor vehicle theft prevention fund in the sheriff's budget. Requires the sheriff to use the funds in the motor vehicle theft prevention fund to set up a tactical unit to combat economic motor vehicle theft. Requires an insurance company to submit to an examination by the insurance commissioner to determine if the proper assessment has been made. Provides that a person who fails to make the assessment, deposit the assessment,

(Continued next page)

Effective: July 1, 1999.

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January 22, 1999, read first time and referred to Committee on Finance.

or submit to an examination by the insurance commissioner to determine if the proper assessment has been made commits a Class A infraction.

Introduced

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

SENATE BILL No. 624

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 9-27-6 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]:

Chapter 6. Motor Vehicle Theft Prevention

Sec. 1. As used in this chapter, "company" has the meaning set forth in IC 27-1-2-3.

Sec. 2. As used in this chapter, "economic motor vehicle theft" means motor vehicle theft that is committed for pecuniary gain.

Sec. 3. (a) As used in this chapter, "insurance policy" means a policy:

(1) that provides one (1) or more of the types of insurance described in IC 27-1-5-1, Class 2(f); and

(2) that:

(A) is delivered or issued for delivery in Indiana and covers a motor vehicle; or

(B) covers a motor vehicle required to be registered in Indiana.

(b) The term does not include a policy:

(1) covering garage, motor vehicle sales agency, repair shop, service station, or public parking place operation hazards; or

(2) providing only umbrella liability coverage.

Sec. 4. As used in this chapter, "motor vehicle" has the meaning set forth in IC 9-13-2-105.

Sec. 5. (a) The motor vehicle theft prevention fund is established to receive deposits of assessments from companies after the sale or renewal of insurance policies, as set forth in section 9 of this chapter.

(b) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(c) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 6. (a) The money in the motor vehicle theft prevention fund is appropriated to the county sheriffs in the same proportion that the assessments were received.

(b) On April 1 and October 1 of each year, the treasurer of state shall distribute the funds to the county sheriffs in the manner provided in subsection (a) for deposit in a separate fund in the operating budget of the sheriff designated as the motor vehicle theft prevention fund.

(c) Money for the motor vehicle theft prevention fund may be received from any source, including appropriations by local or federal governments and other state funds, and donations.

(d) Any balance remaining at the end of a fiscal year shall be carried over in the fund for the following year and does not revert to the general fund.

Sec. 7. (a) Each sheriff shall establish a tactical unit to combat motor vehicle theft.

(b) The tactical unit may consist of a police officer or a designee of the chief of police from each municipality located within the county.

(c) The tactical unit shall meet upon the call of the sheriff in order to carry out the purposes set forth in section 8 of this chapter.

Sec. 8. Money in a county motor vehicle theft prevention fund may be spent for the following purposes, in order of priority:

(1) To pay the costs of administering the fund.

(2) To achieve the purposes and objectives of this chapter, including the following:

(A) Providing financial support to the tactical unit established in section 7 of this chapter to combat economic motor vehicle theft.

(B) Providing financial support to state or local law enforcement agencies for programs designed to reduce the incidence of economic motor vehicle theft.

(C) Providing financial support for neighborhood or community organizations or business organizations for programs designed to reduce the incidence of motor vehicle theft.

(D) Conducting educational programs designed to inform motor vehicle owners of methods of preventing motor vehicle theft and to provide equipment, for experimental purposes, to enable motor vehicle owners to prevent motor vehicle theft.

(E) Enlisting the assistance of prosecuting attorneys and the judiciary in conducting programs designed to reduce the incidence of economic motor vehicle theft.

Sec. 9. (a) The fee requirement of this section applies only to an automobile insurance policy as defined in IC 27-7-6-2 purchased through a company for a motor vehicle registered in Indiana.

(b) At the time of the issuance or renewal of an insurance policy (as defined in IC 27-7-6-3) the company issuing the insurance policy must pay an assessment equal to one dollar ($1) per vehicle insured under the policy for each year the insurance will be in effect. A policy issued for a period of less than one (1) year shall be assessed at the same rate.

(c) A company assessed fees under subsection (b) must deposit the fees in the motor vehicle theft prevention fund established by section 5 of this chapter.

(d) Beginning October 1, 1999, a company must deposit the accumulated assessed fees with the treasurer of the state within fifteen (15) days of the close of the month in which the policy is sold or renewed.

(e) The treasurer of state shall:

(1) maintain within the fund a separate account for each county; and

(2) credit the assessments based on the county of residence of the policyholder to each account.

(f) At the sole discretion of the insurance commissioner, an

examination under IC 27-1-3.1 may be conducted of a company that has been assessed the fees in subsection (b) to determine if the proper assessment has been made.

(g) The refusal of any company, by its officers, directors, employees, or agents within the company's control, to submit to examination or to comply with any reasonable written request of the examiners, or the failure of any company to make a good faith effort to require compliance with such a request, is grounds for:

(1) suspension;
(2) refusal; or
(3) nonrenewal;

of any license or authority held by the company to engage in an insurance or other business subject to the commissioner's jurisdiction. The commissioner may proceed to suspend or revoke a license or authority upon the grounds set forth in this subsection under IC 27-1-3-10.

(h) Notwithstanding subsection (g), a person who violates this section commits a Class A infraction.

Sec. 10. This chapter applies to an insurance policy issued or renewed after July 1, 1999.

SECTION 2. IC 27-1-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 10. The commissioner shall have power:

(1) to revoke or suspend the authority to do business in this state of any company which refuses to permit an examination under IC 27-1-3.1 **or IC 9-27-6-9**; and
(2) to revoke or suspend any certificate of authority when any condition prescribed by law for granting it no longer exists.